

DEPARTMENT OF ENERGY

NATIONAL PETROLEUM COUNCIL MEETING

Dolley Madison Ballroom  
The Madison Hotel  
15th and M Streets, N.W.  
Washington, D.C.

Wednesday,  
April 21, 1982

9:00 a.m.

APPEARANCES:

JOHN F. BOOKOUT, Chairman

ROBERT MOSBACHER, Vice-Chairman

HON. JAMES B. EDWARDS, Secretary of Energy

HON. WILLIAM A. VAUGHAN, Assistant Secretary,  
Environmental Protection Agency,  
Safety and Energy Preparedness

MARSHALL W. NICHOLS, Executive Director

ALTON W. WHITEHOUSE, JR., Chairman, Environmental  
Conservation

1 CHAIRMAN BOOKOUT: Good morning, Ladies and  
2 Gentlemen, and welcome to our 83rd meeting of the National  
3 Petroleum Council.

4 You have before you a copy of this morning's agenda.  
5 Our first item of business is calling of the roll. It requires  
6 one-third of the membership to represent a quorum. Looking  
7 around the room it's obvious that we have more than the  
8 required number here for the quorum. Therefore, I would  
9 suggest that we dispense with the calling of the roll. To  
10 ensure an accurate counting, however, if you haven't reported  
11 your presence yet, you will be asked to do that before you  
12 depart this morning.

13 Now I would like to introduce those at the table.  
14 On the far end, my far right end of the table is Robert  
15 Mosbacher. He's Vice-Chairman of the Council. Next to Bob  
16 is Al Whitehouse, Chairman of NPC Committee on Environmental  
17 Conservation. If you come to this end of the table, of course  
18 Marshall Nichols, Executive Director of the Council. Next is  
19 the Honorable William A. Vaughan, Assistant Secretary of  
20 Energy for the Environmental Protection Agency, Safety and  
21 Emergency Preparedness. And next is the Honorable James B.  
22 Edwards, Secretary of Energy, and Co-Chairman of the Council.

23 Now over the past two years Secretary Edwards has  
24 become a well known and respected leader in the world energy  
25 arena. He has ably represented the Department's views in this

1 country before Congress and abroad, before the International  
2 Energy Agency and United Nations.

3 Mr. Secretary, I would like to say that all of us  
4 have appreciated your leadership and concern for the National  
5 Petroleum Council, and we are so very pleased and honored to  
6 have you with us again this morning.

7 Since the last meeting of the Council we appointed  
8 several new members and we would like to call on you at this  
9 time if you choose to introduce those members and address the  
10 Council.

11 Ladies and Gentlemen, the Honorable James B. Edwards,  
12 Secretary of Energy.

13 (Applause)

14 SECRETARY EDWARDS: Thank you very much. Thank you  
15 for your warm introduction. It's nice to be met so warmly.  
16 After I left your reception last night I was over at the  
17 Egyptian Embassy where they honored John Swearingen, and it  
18 was a very hospitable evening and a great group of people and  
19 I enjoyed it tremendously until the alarm clock went off this  
20 morning.

21 We had a meeting over at the White House at 7:30, so  
22 we have been at it a good while, but it was a delightful  
23 evening at your reception and over at the Egyptian Embassy.

24 I want to take this opportunity to reaffirm my  
25 support for this Council. I think it's a fine example of how

1 Government and business have been able to work together.  
2 And we would like for you to take over even more of the  
3 responsibility for research and development later on down the  
4 line, whenever you feel like you would like to enter into that  
5 endeavor. We are trying to cut back on our costs as we close  
6 down our Department, so maybe that would be something you  
7 could give some special attention to in the future.

8 I'd like to recognize the new members that we have  
9 appointed since our last meeting. Bruce Calder of Bruce  
10 Calder, Incorporated; Tom Chilton of Colonial Pipeline  
11 Company in Atlanta; Jilianan Cowden from JAL Ranch; Jane Ray  
12 Dietrich, Dietrich Enterprises; Bert Golden, Golden Engineering,  
13 Incorporated; Henry Goodrich, Sonat, Incorporated. He's  
14 absent I believe. I believe he wasn't able to be here this  
15 morning. John Hall, Ashland Oil; John, welcome. James Lee,  
16 Gulf Oil Corporation; Marijo Shide, she's with the General  
17 Federation of Women's Clubs. She was not able to be with us.  
18 Bruce Smart of the Continental Group. He's not able to be  
19 with us this morning. Irene Wischer of Panhandle Producing  
20 Company.

21 You know, I've heard so many dental stories since  
22 I've been in Washington that I took great delight in a lawyer's  
23 story I heard the other day told by the Ambassador to Mexico,  
24 John Gavin, who is doing a super job for us down there in  
25 Mexico. But John tells the story of two men that were trying

1 to make a transcontinental flight in a balloon, and they got  
2 caught in a storm and they were tossed terribly by the storm,  
3 and as the storm subsided and things quieted down they were  
4 caught in the clouds and they didn't know where they were.  
5 And they were drifting along the next morning and they looked  
6 down and saw a hole in the clouds and they dropped it down  
7 through that hole to try to find out where they were. And as  
8 they dropped down through the hole they saw two guys down  
9 below chipping up on a green.

10 One of the fellows in the balloon hollered down,  
11 "Hey down there, can you tell me where I am?" The fellow  
12 said, "You're in a balloon."

13 He turned to his friend and said, "It's a damn  
14 lawyer." The friend said, "Why do you say that fellow is a  
15 lawyer?" He said, "Because what he told me was absolutely  
16 correct and absolutely worthless."

17 Now this balloon story has another meaning. I  
18 think our whole society has been lost in a big cloud for some  
19 time. Some of us don't know where we are or where we're going  
20 and those of us who do think we know often feel like we  
21 shouldn't tell anybody.

22 During the last year that's begun to change, I think.  
23 We're beginning to understand where we are. I was asked the  
24 other day by a newspaper reporter why I believed that the  
25 energy crisis was over. I told him I had never said that and

1 if he ever quoted me as saying that I would take him to task.

2 But I also told him that I have told many audiences  
3 that the time is overdue to put behind us the siege mentality  
4 that has grasped us for too long. We seem to think everything  
5 is a crisis including lower oil prices.

6 Can you believe that now that prices are falling  
7 that's a crisis?

8 For years now we've all been complaining about how  
9 prices have been skyrocketing, and they have. Inflation has  
10 been terrible. You think lower prices and lower taxes would  
11 be applauded by everyone. Instead we have the prophets of  
12 doom who fill the commentary pages of the newspapers telling  
13 us that we are willing ourselves into a new crisis by allowing  
14 the consumer to buy gas for "only" \$1.10 a gallon. We're told  
15 that we need to artificially raise prices somehow.

16 And curiously, some of the same people who have  
17 complained for years about high oil company prices are the  
18 very same ones who are proposing solutions that will increase  
19 profits. Politics sure to make strange bedfellows. And I  
20 might add around Washington, bedfellows make strange politics.  
21 It's a little early for that one, I guess.

22 And we have people in Congress and elsewhere who  
23 want to raise taxes. We need to reduce the deficit, and fast.  
24 There is no question about that. But raising taxes either  
25 through delaying the income tax cut, an oil import fee, a BTU

1 fee, or any of the other schemes now being discussed, would  
2 have only one real effect: It would increase Government  
3 spending, more than it would reduce the deficit. I'm personally  
4 very much opposed to an import tax, and have told the President  
5 that.

6 As a matter of fact when I was Governor of South  
7 Carolina, I vetoed every tax increase that came across my  
8 desk, so that tells you how I feel about tax increases. And  
9 this Administration is here not to put more taxes on the backs  
10 of the American people, but to get the tax burden off your back  
11 and give you more freedom to say how you want to spend your  
12 money instead of how we in Government feel like you should  
13 spend your money.

14 As Treasury Secretary Regan likes to say, "Raising  
15 taxes does not balance budgets; raising taxes makes spending  
16 easier. Tax increases simply give the Federal Government more  
17 to spend on Federal programs that create constituencies for  
18 even greater spending." And I think all of you ought to have  
19 that typed up and framed and put across the door of your  
20 offices so that you'll be reminded of that every day.

21 I'm a conservative, but I'm also an optimist. When  
22 I spoke with you last December I told you that we still had  
23 plenty of energy problems, but that we had as many or more  
24 opportunities than we had problems. And I want to spend some  
25 time today talking with you about the opportunities we've

1 already taken advantage of. It's a very impressive list of  
2 accomplishments, of which all of us can be proud.

3 This Administration deserves some of the credit, but  
4 the real credit goes to the American people who acted  
5 rationally and intelligently. They did so despite all the  
6 Federal programs that were aimed at making people do what a  
7 bunch of regulators didn't think they would do on their own.

8 I was surprised to see the other day twin editorials  
9 in the local newspaper that blatantly contradicted each other.  
10 The first one said, and I quote, "Over the past couple of years,  
11 Americans have proved to themselves that without hardship or  
12 even great inconvenience, they can do with less oil." Why did  
13 they conserve? The editorial says, and I quote again, "It's  
14 mainly a response to higher prices."

15 Whoever wrote that editorial was absolutely correct,  
16 like the lawyer hollering up to the balloon. But then the  
17 next editorial chastises the Department of Energy for coming  
18 up with, and I quote, "The ultimate bureaucratic solution to  
19 a tricky legal problem." And I guess I should take that as  
20 a compliment, but I don't think the Post would really mean it  
21 as such.

22 What they meant is that we need Government regulations  
23 on appliance standards because, and I quote again, "Congress  
24 found that higher energy prices alone would not induce as much  
25 improvement in efficiency" as was justified. Now which is it?



1 Do prices work or not? We think they do.

2 We want ballooners and everyone else to know where  
3 we are; and where we want to be is in the middle of a thriving  
4 free market economy. If it hadn't been for the President's  
5 decision to decontrol oil in January 1981, we would be paying  
6 more for gasoline now than we are and we'd be importing more  
7 oil. The best advertising ever done for the free market  
8 philosophy is the gasoline price signs in front of those sta-  
9 tions. In some places, dealers have even broken the symbolic  
10 dollar a gallon mark.

11 Now I'm very proud of what we accomplished in the  
12 last year. 1981 was one of the most important years in the  
13 history of oil. I'd like to review with you briefly some of the  
14 things we did together. And as I told some of the press that  
15 was interviewing me the other day, I told my press girl, I  
16 said would you please get a list of our accomplishments and  
17 leak it to the press so they'll talk about the accomplish-  
18 ments instead of all the negative stuff that they talk about  
19 every day in the press. And I would just like to review this  
20 list for you because I'm very proud of it.

21 We decontrolled oil.

22 We saw the fruits of conservation and efficiency  
23 take hold, with oil imports reaching an eleven year low.

24 We saw confrontation between producers and suppliers  
25 and suppliers and consumers supplanted by the old, but

1 superior laws of supply and demand. OPEC's economists are  
2 all busy relearning Adam Smith's theories.

3 We saw the share of non-OPEC oil increase.

4 We saw domestic drilling and seismic activity break  
5 records, perhaps historic ones. And I know that's off a  
6 little bit now, but I'm sure that's a temporary thing.

7 We saw the accelerated opening of the outer  
8 continental shelf and of public lands.

9 We saw 336,000 barrels a day of oil added to the  
10 strategic petroleum reserve. Two weeks ago, we celebrated the  
11 250 millionth barrel being pumped ashore down there at  
12 St. James' terminal in the Mississippi River. That's 140  
13 million barrels more than we had when we took office, and that  
14 was a six year old program at that time.

15 We saw the Synthetic Fuels Corporation become  
16 operational, and we arranged for loan guarantees and price  
17 supports for three very critical projects.

18 We saw the removal of more than 1.1 million  
19 manhours of paperwork requirements and the elimination of more  
20 than 200 energy-related regulations taken off the books.

21 We saw Federal spending on energy reduced by nearly  
22 \$5 billion compared to what the previous Administration wanted  
23 to spend.

24 We saw the Government end subsidies for projects that  
25 are the responsibility of the private sector.

1           We saw a new tax law passed by Congress. A law that  
2 will make more capital available for development and put  
3 incentive back into the economic system.

4           And we saw efforts to dismantle the Department of  
5 Energy. We've already pretty much dismantled some of the  
6 parts of the Department of Energy that we no longer need.  
7 Now we need to merge the residual into the Department of  
8 Commerce, and I hope you all will help me do that so I can  
9 get back home and do a little fishing sometime soon.

10           To me that's a very impressive list of accomplish-  
11 ments. The year 1981 was the year of oil. Now we have  
12 breathing space and we can afford a little time, now that  
13 prices are down, to think about the future. But easy does  
14 it. What we learned last year is that the free market works.  
15 What we need to do this year is to keep it working. We need  
16 to be sure that we all understand a couple of basic points.

17           One is that the present lull in prices won't last.  
18 The price of oil and other hydrocarbons is on an upward curve.  
19 No one should change their long-term assumptions about that.

20           The second point is that even though our net crude  
21 imports for the last four weeks have been averaging about  
22 3.3 million barrels a day, half of what they were just five  
23 years ago. Demand will go up. Stocks will have to be  
24 replenished and the economy is going to take off. New car  
25 sales are starting to go up, as are miles driven. We're not

1 about to see demand skyrocket because the new cars on the  
2 road will be far more efficient than the ones they replace, but  
3 demand is going to rise somewhat.

4 The third point is so long as any sector of our  
5 economy is heavily dependent on oil, we are still vulnerable  
6 to supply disruptions. And as long as any of our friends and  
7 allies are dependent, we are also dependent.

8 I want to leave you with a few reminders, and that  
9 is, we can't afford to drawdown our stocks too far. We can't  
10 afford to encourage consumption of more oil. We can't afford  
11 to alter medium and long-term projections about price and  
12 demand. We can't afford to abandon our commitments to develop  
13 new technologies. And we can't afford to forget about  
14 emergency planning. Industry has to be prepared for future  
15 disruptions.

16 This Administration expects industry to assume more  
17 of the responsibility for assuring that the American people  
18 have an adequate oil supply. Our distribution system is an  
19 absolute marvel and there is no better time to let it work  
20 than during a crisis.

21 I'm convinced we're well on the way toward easing our  
22 energy problems. Last year was the year of oil. This year is  
23 the year to start revitalizing for the nuclear industry. We  
24 expect very shortly to pass waste management legislation and  
25 to move ahead on other fronts. During the next few months,

1 I'm confident we will accomplish a great deal more.

2 We should all be very proud of what we've done. As  
3 a member of the Cabinet, I want as much of the credit as  
4 possible to go to this Administration. But, at the same time,  
5 I feel strongly that the Government always wants to take the  
6 credit for what the American people have, in their wisdom,  
7 done themselves. If I were in a position to dedicate this  
8 year, I'd dedicate it to the American people who have finally  
9 been given a chance to prove how much wiser they are than the  
10 Government thinks they are. I think we're out of the  
11 clouds, and even though some of us don't want to say it out  
12 loud, we all know where we really are. Let's keep it that  
13 way and move America ahead.

14 It's nice being with you this morning. I wish I  
15 could stay longer. I'll stay for a few minutes and respond  
16 to any questions any of you may have, but I just want to  
17 thank you sincerely for all the support you've given me during  
18 these rocky 14 or 15 months I've been here. It's been very  
19 very meaningful to me that you have stood behind me and given  
20 me so much advice, and I really do appreciate it.

21 Thank you.

22 (Applause)

23 CHAIRMAN BOOKOUT: Thank you, Mr. Secretary. Are  
24 there questions?

25 (No response)

1 CHAIRMAN BOOKOUT: Thank you very much, and we  
2 congratulate you on your accomplishments. We think they are  
3 most impressive, and we thank you very much for taking your  
4 time to be with us this morning, and we understand your busy  
5 schedule and regret you cannot remain with us, but that is the  
6 way it is.

7 Thank you very much.

8 Our next agenda item is to hear from Al Whitehouse  
9 on his Environmental Conservation Committee report. We will  
10 hear today the final report.

11 MR. WHITEHOUSE: Thank you John.

12 The Committee on Environmental Conservation has  
13 adopted a final report on the subject of environmental  
14 conservation and the oil and gas industry, and our product is  
15 before you today for your consideration and vote.

16 In spite of the size of that volume that you have  
17 that's in place, my presentation this morning will be brief,  
18 primarily because the substance of the Committee's findings  
19 and conclusions was contained in the overview volume which was  
20 approved by this group during the meeting last December.

21 The draft under consideration today was mailed to  
22 you for your review on March 26th. It's intended that each  
23 volume, that is the overview and the full report, can stand  
24 alone.

25 The Executive Summary, Chapter One (General

1 Considerations), and Chapter Eight (Other Issues of the 1980's)  
2 of this second volume are verbatim reprints from the overview  
3 volume. The other six chapters support and document the  
4 findings and conclusions presented in the overview and contain  
5 many references and notes. It's hoped that this will be to  
6 some degree a useful research document.

7 Three of these chapters present detailed descriptions  
8 of the operations and environmental considerations of the  
9 three industry segments (exploration and production; refining;  
10 and storage, transportation, and marketing). The remaining  
11 three chapters concern the cross-cutting issues of product  
12 use, fate and effects of spills, and energy facility siting.

13 In addition, an appendix present comments on the  
14 Department of Energy's 1980 report entitled, "Synthetic  
15 Fuels and the Environment". An index will be included in the  
16 printed report to facilitate its use as a reference tool.

17 In concluding my remarks, I want to thank my  
18 Committee members and their staffs who have labored over the  
19 past year and a half to prepare this report. The subject of  
20 the environment may recede from prominence in the press from  
21 time to time, but it's always a matter of great importance  
22 to the petroleum industry. I believe the NPC's report docu-  
23 ments well our progress and our concerns in this area, and I  
24 sincerely thank all of those who worked with me on it.

25 Mr. Chairman, I would move that the National

1 Petroleum Council adopt this proposed final report of the  
2 Committee on Environmental Conservation, subject to final  
3 editing, which would not change the substance of any of the  
4 text.

5 CHAIRMAN BOOKOUT: Thank you, Al.

6 Gentlemen, you've heard the motion that we adopt the  
7 final report. Do I have a second?

8 VOICE: Second.

9 CHAIRMAN BOOKOUT: Are there any questions or  
10 comments that should be addressed to Mr. Whitehouse at this  
11 time?

12 (No response)

13 CHAIRMAN BOOKOUT: There being none, all those in  
14 favor say aye.

15 (Unanimous response)

16 CHAIRMAN BOOKOUT: Nay?

17 (No response)

18 CHAIRMAN BOOKOUT: The report is adopted.

19 Al, you and the Committee are to be commended for  
20 preparing this comprehensive report and we do very much  
21 appreciate all of the efforts that have gone into it and know  
22 it will prove to be of considerable value in the industry.

23 The next item of business this morning is to receive  
24 a report from the Agenda Committee. A.V. Jones is Chairman  
25 of that Committee, and he will now submit his Committee report.



1 MR. JONES: Chairman Bookout, and Ladies and  
2 Gentlemen, at the Council's meeting last December, Secretary  
3 Edwards mentioned in his remarks, his intention to ask the  
4 Council to undertake several new studies. Specifically he  
5 requested a reassessment of the Council's 1976 enhanced oil  
6 recovery study and an analysis of the incentives needed to  
7 encourage private sector development of the petroleum resources  
8 in Third World Countries.

9 By letters dated March 10, 1982, and copies of these  
10 letters are in your information packets, the Secretary for-  
11 mally requested the Council to undertake these two studies.  
12 The Secretary also proposed a study of the industry's future  
13 manpower requirements, based on a suggestion which was made  
14 last year when our industry was facing an extremely tight  
15 manpower situation.

16 Pursuant to Section 7.1 of the Articles of  
17 Organization of the Council, these requests were referred to  
18 the Agenda Committee for consideration as to whether these  
19 requests were proper and advisable for the Council to under-  
20 take. The Agenda Committee has considered these requests and  
21 makes the following recommendation to the Council.

22 First, it is appropriate and advisable for the  
23 Council to reevaluate its 1976 enhanced oil recovery study  
24 in light of current technological, economics, and regulatory  
25 conditions. In making this recommendation the Committee notes

1 that qualitative perspective on the 1976 study reflecting  
2 industry's recent experience will be useful.

3 The Committee believes that it would probably not  
4 be necessary to repeat the detailed basin by basin analysis  
5 which was used as the basis of the 1976 study.

6 Secondly, regarding the Third World petroleum  
7 development request, the Committee believes that it would be  
8 appropriate for the Council to analyze the factors which  
9 affect the decisions of the private sector to explore for and  
10 develop oil and gas in the Third World. The study's focus  
11 would be on the general decisions of measure which oil  
12 importing developing countries could take to encourage private  
13 sector involvement as well as more specific discussions of  
14 actions which the United States Government could take to  
15 encourage such activity.

16 The Department of Energy concurs with the Agenda  
17 Committee's determination that the request does not call for  
18 the Committee or the Council to conduct detailed resource  
19 assessment or to critique the programs and policies of  
20 identified countries.

21 Finally, the Committee acknowledges the general  
22 subject matter of the industry's manpower requirements and  
23 say that is an appropriate topic for the Council to undertake,  
24 recognizing several past NPC studies on the subject. However,  
25 in consultation with the Department of Energy, it is mutually

1 agreed that a new petroleum industry manpower assessment  
2 could not be productively completed at this time. It was noted  
3 that the dramatic changes in the employment outlook which have  
4 occurred in recent months, marking the situation too unsettled  
5 for a meaningful study.

6 The topic will be considered at an appropriate time  
7 in the future as conditions warrant.

8 Mr. Chairman, this is the report of the Agenda  
9 Committee, and I move that it be adopted by the membership of  
10 the National Petroleum Council.

11 CHAIRMAN BOOKOUT: Thank you, A.V. You've heard  
12 the motion to adopt the report submitted by Mr. Jones. Do I  
13 have a second?

14 VOICE: I second it.

15 CHAIRMAN BOOKOUT: Is there any discussion?

16 (No response)

17 CHAIRMAN BOOKOUT: All in favor say aye.

18 (Unanimous response)

19 CHAIRMAN BOOKOUT: Nays?

20 (No response)

21 CHAIRMAN BOOKOUT: The report is adopted, and as has  
22 been customar in such things as this the Chairman will consider  
23 your favorable vote to supply the necessary manpower that the  
24 study would require, and I'll be drawing up rosters to be  
25 submitted to the Appointment Committee in that regard.

1           Anyone having any wish or desire to be associated  
2 with the studies would be appreciated.

3           Next we have the report of the Finance Committee,  
4 but first let me say in addition to the Agenda Committee, the  
5 Council has three other administrative committees. Two of  
6 them, the Finance and the Nominating Committee are appointed  
7 annually by the Chairman and we will hear from both of those  
8 today. In 1982 we appointed the following to serve on the  
9 Finance Committee: Ted Burtis, Milt Copulos, John Foster,  
10 John Hall, Dean McGee, John McKinley, Cary Maguire, Fred Mayer,  
11 Boone Pickens, and Al Whitehouse, with John Phillips serving  
12 as Chairman. The Finance Committee has taken another look at  
13 the financial needs of the Council at yesterday's meeting. I  
14 think you will be very pleased, as you were last year, to hear  
15 from our able Chairman of the Finance Committee.

16           John, would you please present your report?

17           MR. PHILLIPS: Mr. Chairman, and members of the  
18 Council, the Finance Committee met yesterday to review the  
19 financial status of the Council. At our meeting we reviewed  
20 the calendar year 1981 financial statements, with representatives  
21 of Arthur Young and Company, the Council's independent outside  
22 accountants. I am pleased to report to you that the financial  
23 condition of the Council is excellent and that the accounting  
24 controls and procedures received high marks.

25           We then discussed a revised budget for calendar

1 year 1982. At our last meeting you approved a budget of  
2 \$1.75 million. This budget included funds to undertake and  
3 complete two studies.

4 As you've heard this morning, we do indeed have two  
5 studies. However, we believe they will not be as costly as  
6 previously estimated. Therefore, we have reduced our calendar  
7 year '82 recommendation by \$125,000, to \$1,625,000. And at  
8 our last meeting we also recommended that total contributions  
9 be the same as last year's level. We now recommend that  
10 this total be reduced ten percent. This is the second ten  
11 percent reduction in two years, or a total of twenty percent.

12 Individual member contributions are based on relative  
13 company size. Since we will be updating our database on the  
14 company size information this year, individual contribution  
15 amounts may vary up or down from the total ten percent  
16 reduction. Accordingly, Mr. Chairman, the Finance Committee  
17 recommends that the Council approve at this time a calendar  
18 year '82 budget of \$1,625,000, 1982 fiscal year total contri-  
19 butions be ten percent less than 1981, and that additional  
20 expenditures if necessary be made from the contingency fund.

21 We also recommend that Arthur Young and Company be  
22 appointed as independent public accountants to examine the  
23 fiscal accounts of the organization for 1982.

24 Mr. Chairman, I move these action items be approved  
25 by the Council.

1 CHAIRMAN BOOKOUT: Thank you very much, John.

2 You've heard the motion. Would anyone else care  
3 to second it?

4 VOICE: I second it.

5 CHAIRMAN BOOKOUT: All signify their agreement by  
6 saying aye.

7 (Unanimous response)

8 CHAIRMAN BOOKOUT: Thank you very much. We congratu-  
9 late your committee for the fine service.

10 Now the members of the Nominating Committee are  
11 Jack Abernathy, Collis Chandler, Cliff Garvin, Bud Gertz,  
12 Floyd Gottwald, Fred Hartley, Dean McGee, John Miller, Frank  
13 Pitts, and John Kaneb with Bob Anderson serving as Chairman.  
14 At this time would Bob present the report of his Committee?

15 MR. ANDERSON: Gentlemen, the Nominating Committee  
16 met this morning and agreed on the following nominations and  
17 recommendations for officers, and chairmen and members of the  
18 Agenda and Appointment Committees of the Council. For  
19 Chairman, John Bookout; Vice-Chairman, Robert Mosbacher.

20 For the Agenda Committee, we nominate the following:  
21 Bill Carl, John Carver, Collis Chandler, Ed Cox, Cliff Garfin,  
22 Fred Hartlye, John McKinley, Dick O'Shields, John Swearingen  
23 and Al Whitehouse, with A.V. Jones continuing to serve as  
24 Chairman.

25 For the Appointment Committee, we nominate the

1 following: Ralph Bailey, Ted Burtis, Jim Emison, Fred  
2 Hamilton, Mary Hudson, Jake Jacoby, Jim Lee, Jeff Montgomery,  
3 Boone Pickens, and Sid Petersen, with Harold Hoopman serving  
4 as Chairman.

5 Mr. Chairman, this completes the report of the  
6 Nominating Committee, and I move that the Council elect the  
7 foregoing slate for 1982.

8 CHAIRMAN BOOKOUT: Thank you. Is there a second?

9 VOICE: I second it.

10 CHAIRMAN BOOKOUT: All agree say aye.

11 (Unanimous response)

12 CHAIRMAN BOOKOUT: Nays?

13 (No response)

14 CHAIRMAN BOOKOUT: The report is adopted.

15 I appreciate your vote of confidence and Bob and  
16 I will look forward to serving another year.

17 I must say I'm kind of reminded of a survey I read  
18 recently about a professor that was trying to determine what  
19 the student body thought of his performance. When questioned,  
20 one student indicated, he said, "Well Professor Nobody really  
21 doesn't understand the subject very well, because I see him  
22 occasionally glancing at his notes." And the second student  
23 observed, "Professor Nobody has no redeeming features that  
24 I can think of."

25 If I had one redeeming feature, it would be that I

1 would try to keep the meetings short.

2 Ladies, and Gentlemen, I believe this brings us to  
3 our final agenda this morning, and does any Council Member  
4 have any matter to raise at this time in old business or new  
5 business?

6 Does any non-Council Member have any matter to raise  
7 at this time?

8 (No response)

9 CHAIRMAN BOOKOUT: There being no further business,  
10 I'd like to announce to the press that the Council officers  
11 will remain here at the head table to respond to any questions  
12 on Council business that you may have.

13 Now do I have a motion for adjournment?

14 (Motion made and seconded.)

15 CHAIRMAN BOOKOUT: Thank you very much.

16 (Whereupon, at 9:40 a.m. the meeting was adjourned.)  
17  
18  
19  
20  
21  
22  
23  
24  
25



REPORTER'S CERTIFICATE

DOCKET NUMBER:

CASE TITLE: National Petroleum Council Meeting

HEARING DATE: April 21, 1982

LOCATION: Washington, D.C.

I hereby certify that the proceedings and evidence herein are contained fully and accurately on the tapes and notes reported by me at the hearing in the above case before Department of Energy and that this is a true and correct transcript of the same.

Date: April 22, 1982

*Laura Robinson*

Official Reporter  
Acme Reporting Company, Inc.  
1411 K Street, N.W.  
Washington, D.C. 20005